

This record is a partial extract of the original cable. The full text of the original cable is not available.

UNCLAS SECTION 01 OF 08 TEL AVIV 001669

SIPDIS

STATE FOR NEA, NEA/IPA, NEA/PPD

WHITE HOUSE FOR PRESS OFFICE, SIT ROOM  
NSC FOR NEA STAFF

SECDEF WASHDC FOR USDP/ASD-PA/ASD-ISA  
HQ USAF FOR XOX  
DA WASHDC FOR SASA  
JOINT STAFF WASHDC FOR PA  
USCINCCENT MACDILL AFB FL FOR POLAD/USIA ADVISOR  
COMSOCEUR VAIHINGEN GE FOR PAO/POLAD  
COMSIXTHFLT FOR 019

JERUSALEM ALSO FOR ICD  
LONDON ALSO FOR HKANONA AND POL  
PARIS ALSO FOR POL  
ROME FOR MFO

E.O. 12958: N/A  
TAGS: IS KMDR MEDIA REACTION REPORT  
SUBJECT: ISRAEL MEDIA REACTION

-----  
SUBJECTS COVERED IN THIS REPORT:  
-----

11. Mideast

12. Iran

-----  
Key stories in the media:  
-----

Israel Radio quoted Assistant Secretary of State for Near Eastern Affairs David Welch as saying that Hamas might have found ways to circumvent the boycott imposed on fund transfers to the PA. The radio also cited Welch's concern that Hamas and Al-Qaida may be merging their operations.

All media reported that last night, representatives of Kadima and the Labor Party signed a coalition agreement. The accord includes a call for evacuating West Bank settlements and states that the government will work "to shape the permanent borders of the state as a Jewish state with a democratic majority." The agreement explicitly states that the territory of the Israeli settlements in Judea and Samaria [i.e. the West Bank] "will be "reduced." Furthermore, the government will work to shape the borders "through negotiation and agreement with the Palestinians on the basis of mutual recognition, previously-signed agreements, the principles outlined in the road map, an end to violence and the disarmament of the terror organizations." Maariv quoted senior Kadima members as saying that Olmert will carry out "limited convergence." Maariv quoted one of them as saying that Olmert's power in the Knesset is limited while Hamas is ruling on the Palestinian side. The newspaper cited a denial by Olmert's bureau. The Labor Party will control the defense, education, infrastructure, agriculture and tourism ministries and will also have two ministers without portfolio. The Labor Party's Central Committee will vote Sunday on the mode of selection of the party's ministers, which media say may not be in Labor Chairman Amir Peretz's favor. The media said that the Shas party might get four ministers in the government.

Maariv reported that Arab League Secretary-General Amr Moussa told the newspaper in Paris last night that "convergence is not peace."

Ha'aretz reported that IDF Intelligence chief Maj. Gen. Amos Yadlin hinted Wednesday that Syria is poised to begin talks on major arms purchases in light of expectations of increased revenue due to rising oil prices. Yadlin was quoted as saying that larger oil producers like Iran and Saudi Arabia were also channeling their oil revenues into arms deals, and that some of the Syrian arms purchases are expected to go toward refitting its air force, which stopped buying new planes in the 1980s. Yadlin also said that the Syrians continued to focus their arms production on rockets and longer-range SCUDS. Production, he said, was continuing on 200 to 300 millimeter rockets with a range of dozens of kilometers. Some of these weapons are apparently being transferred to Hizbullah, including the array Hizbullah has deployed along the border between Lebanon and Israel.

Leading media reported that on Thursday, Foreign Ministry DG Ron Prosor summoned Swedish Ambassador Robert Rydberg to the Foreign Ministry to clarify Stockholm's decision to withdraw from a NATO air force exercise due to Israel's participation. The media reported that Prosor also spoke to the Swedish Ambassador about Stockholm's reported plans to grant visas to two Hamas representatives -- the first European state to do so. Prosor reportedly told Rydberg that if Israel was not regarded as a legitimate peace-keeping force, it should come as no surprise if Israel did not see a legitimate role for Sweden in the Middle East peace process. Ha'aretz quoted Rydberg as saying that the Hamas officials had not requested visas and therefore were not granted them.

Major media reported that only one Palestinian -- an Islamic Jihad Qassam rocket operator -- was killed in the IDF's targeted assassination Thursday in the Gaza Strip.

Ha'aretz and Hatzofe quoted PA FM Mahmoud Zahar as saying Thursday on Al Jazeera-TV that there is no reason other parties cannot broker negotiations between the Hamas-led PA government and Israel. Ha'aretz also reported that Palestinian PM Ismail Haniyeh threatened last week to resign together with his cabinet if Khaled Mashal, head of the political wing in Damascus, did not retract harshly critical statements he made about PA Chairman [President] Mahmoud Abbas last week.

The Jerusalem Post quoted officials as saying that Ateret Cohanim, an organization that aims to settle Jews all over Jerusalem, has reached an accord with the Jewish owners of a soon-to-be-vacated police station in the Ras el-Amud neighborhood of East Jerusalem to house Jews in the building after police move out.

Maariv reported that this week, Israel revoked former Palestinian PM Ahmed Qurei's VIP pass.

Citing AP, Ha'aretz reported that in an interview Thursday, Hizbullah leader Sheikh Hassan Nasrallah acknowledged giving Palestinian factions financial and political support, but that he denied arming them.

The Jerusalem Post reported that the US has refrained from pressuring Pakistan to drop its anti-Israel trade embargo.

The Jerusalem Post reported that Israel and the US did not oppose appointing Iran to serve as a vice chair of the UN Disarmament Commission when the Commission decided on the nomination two weeks.

Hatzofe reported that on Thursday, following the Sinai bombings, the Egyptian security services arrested the head of Al Jazeera-TV in Egypt on suspicion of broadcasting disinformation in order to vilify the Egyptian regime.

Hatzofe cited the Lebanese newspaper Al-Diar that quoted European diplomatic sources in Iraq as saying the Mossad deposed its agent in Irbil, northern Iraq.

The Jerusalem Post reported that Jewish American organizations are at the forefront of coordinating a rally that will take place this Sunday in Washington under the banner: "Save Darfur."

Maariv ran a feature on French native Philippe Hababou-Solomon, who organized fundraising events in the 1990s -- including a gala dinner with then President Bill Clinton -- for Robert Torricelli, who was then New Jersey's Democratic Senator. Solomon spent time in American and French jails. The newspaper also wrote that Hababou-Solomon laundered money in Donald Trump's Atlantic City casinos and almost bought an important Israeli sports club.

Yediot reported that the Israeli company Aeronautics Defense Systems was selected to protect the Nigerian oil industry.

A Yediot/Mina Zemach (Dahaf Institute) poll:  
- "Are you satisfied with the government's composition as it is shaping up?" Dissatisfied: 55 percent; satisfied: 39 percent.  
- "Are you satisfied with Ehud Olmert's performance in the process of forming the government?" Dissatisfied: 51 percent; satisfied: 37 percent.  
- "Is the nomination of Amir Peretz to the post of defense minister the right step?" Not the right step: 76 percent; the right step: 21 percent.

-----

## 1. Mideast:

---

### Summary:

---

Diplomatic correspondent Aluf Benn wrote on page one of independent, left-leaning Ha'aretz: "This is the first time an Israeli government commits itself in advance to dismantling settlements."

Senior columnist and longtime dove Yoel Marcus wrote in Ha'aretz: "Global support for Israel hinges on Bush's continued support. It's important that Iran sees Bush hugging us, too."

The conservative, independent Jerusalem Post editorialized: "Unilateralism is one thing: doing something for nothing is another."

Deputy Managing Editor and right-wing columnist Caroline B. Glick wrote in The Jerusalem Post: "The nature of the war being waged against Israel changed, perhaps irreversibly, this week."

Israeli attorney Deborah Housen-Couriel, an analyst at the Re'ut Institute, a non-partisan Zionist think-tank, wrote in The Jerusalem Post: "Ultimately, policies that promote the long-term economic well-being of the Palestinian Authority can benefit Israel as well."

### Block Quotes:

---

#### I. "To Sharon's Left"

Diplomatic correspondent Aluf Benn wrote on page one of independent, left-leaning Ha'aretz (4/28): "The diplomatic guidelines of the Olmert government are based on the Prime Minister's victory speech on election night. They focus on the effort to shape permanent borders that would guarantee Israel's future state with a democratic majority." But they don't content themselves with this general goal. The text of the speech, which was appended to the guidelines, has an additional, very significant line: 'Israel's territory, the border of which will be determined by the government, will necessitate a reduction of the territory of Jewish settlement in Judea and Samaria [i.e. the West Bank].'" This is the first time an Israeli government commits itself in advance to dismantling settlements. The Sharon government's guidelines, which were agreed upon in early 2003 -- a few months before Sharon decided to pull out from Gaza -- were much fuzzier."

#### II. "Walking on Eggshells"

Senior columnist and longtime dove Yoel Marcus wrote in Ha'aretz (4/28): "Every once in a while, some great brain gets up and denounces our 'dependence' on the US. One of them was Menachem Begin, who summoned then U.S. Ambassador Sam Lewis and snapped: 'We are not your vassals'.... Congressional elections are coming up at the end of this year, and Olmert needs to make sure that even if Bush loses his majority, the U.S. Congress continues to support Israel as it has until now. Because this is where the power lies. This is where the commitments, the guarantees, the budgets and the pledges come from. When we say Israel's fate depends on US support, it's not just the president we need behind us - we need Congress, too. Even if the Democrats win a majority this time, it won't harm the close ties that have developed between us and Bush.... It's no coincidence that Ariel Sharon used to call Bush the best president Israel has ever had. Why? Because they saw eye-to-eye on the threat posed by global Islamic terror. Bush gave Sharon a free hand to carry out targeted assassinations, and held a diplomatic umbrella over him in the UN Security Council.... Global support for Israel hinges on Bush's continued support. It's important that Iran sees Bush hugging us, too. Olmert must carry on the Sharon-Bush pact to walk shoulder-to-shoulder, pulling no surprises on one another."

#### III. "Something For Something"

The conservative, independent Jerusalem Post editorialized (4/28): "The idea that Israel must receive something concrete from the international community if we are to proceed with a second disengagement is more than reasonable. Unilateralism is one thing: doing something for nothing is another.... In an ideal world, the international support Israel seeks would make complete sense to

Western nations, and such support would be readily forthcoming. In practice, however, the international community is more likely to ask itself why it should 'pay' Israel to do something if our prime minister says he will do it no matter what. The upshot is that Olmert would do well to more seriously consider [Yisrael Beiteinu leader Avigdor] Lieberman's main demand, namely that convergence be conditioned on -- not just vaguely linked to -- international recognition of borders that Israel has, for lack of a non-terrorist negotiating partner, been forced to establish unilaterally. Even with such recognition, it may be a challenge for the government to make the case for evacuating thousands of Israelis from their homes in Judea and Samaria [i.e. the West Bank] against their will, and an immense challenge for Israeli society to absorb. Without such a tangible benefit, implementing convergence will likely be both unwise and impossible."

#### IV. "Israel's New War"

Deputy Managing Editor and right-wing columnist Caroline B. Glick wrote in The Jerusalem Post (4/28): "The nature of the war being waged against Israel changed, perhaps irreversibly, this week.... The face of the enemy has changed. If in the past it was possible to say that the war being waged against Israel was unique and distinct from the global jihad, after the events of the past week, it is no longer possible to credibly make such a claim.... This new state of affairs demands a change in the way all of Israel's security arms understand and fight this war. The entire process of intelligence gathering for the purpose of uncovering and preventing planned terror attacks needs to be reconsidered. A reconfiguration of political and diplomatic strategies is also required.... Who can cause Ehud Olmert, [and his slated ministers] Amir Peretz, Tzipi Livni, and Yuli Tamir to take the steps required to protect Israel from the reality exposed by the events of this past week?"

#### IV. "It's Not About the Economy"

Israeli attorney Deborah Housen-Couriel, an analyst at the Re'ut Institute, a non-partisan Zionist think-tank, wrote in The Jerusalem Post (4/28): "Issues of public health, sanitation, and water quality are only some examples of the need for basic [Israeli-Palestinian] cooperation. Moreover, an Israeli 'beggar thy neighbor' approach is neither morally permissible nor sustainable in the long run. That leaves three options: Redirection of the present focus from the issue of an inflow of cash to the Hamas-led government to that of the movement of goods and workers between Israel and the PA.... Treating Abu Mazen as Israel's 'address' in his capacities as PA and PLO chairman.... Treating the PA's Hamas-led government as Israel's 'address'.... My advice is for the Olmert government to begin by examining this third, most politically difficult option.... Ultimately, policies that promote the long-term economic well-being of the Palestinian Authority can benefit Israel as well."

---

#### 12. Iran:

---

##### Summary:

---

Senior columnist Dan Margalit wrote in popular, pluralist Maariv: "Like in the thirties, the world is lying to itself.... The Ayatollahs' regime must disappear from the world."

##### Block Quotes:

---

#### "Spiritual Viruses"

Senior columnist Dan Margalit wrote in popular, pluralist Maariv (4/28): "Like in the thirties, the world is lying to itself. Former [US] National Security Advisor Zbigniew Brezinski called on the US not to act against Iran but to 'differentiate Iranian nationalism from the religious mentality.' This is a pipe dream. [Israeli intellectual] Dr. Tom Segev wrote in Ha'aretz: 'Villain, stupid, maybe both -- Ahmadinejad doesn't direct his threats and abuse to Israeli ears, but to the ears of a world that has internalized the Holocaust as a agreed-upon code of absolute evil.' All right, but what to do with this?.... The Ayatollahs' regime must disappear from the world -- or alternatively, its nuclear enterprise. Ending its existence through every means, including the use of force, is a supreme and just necessity."

JONES